

Suggested Talking Points
Daniel C. Moore, USAID OEE Chief
The Clean Cities Program and
The Role of USAID in Promoting
Alternative Fuels in the Philippines
NBN's "The Morning Show"
with Ms. Veronica Baluyot
NBN Studio, Visayas Ave, Quezon City
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Calltime: 6:45 AM
Rolltape: 7:00 AM

1. Role of USAID in the energy sector particularly at this crucial time when international oil prices have risen to unprecedented heights:

- The U.S. government has several grant projects that help the energy sector in the Philippines: the Clean Cities Program of the USDOE Sustainable Energy Development Program, Energy and Clean Air Project, and the Alliance for Mindanao Off-Grid Renewable Energy (AMORE) Project.
- The Clean Cities Program (CCP) supports the Philippine government's efforts to promote

use of alternative fuels as a step towards greater energy independence.

- CCP is implemented in four pilot cities: Baguio, Davao, Marikina and Makati.
- CCP works in partnership with a range of stakeholders to promote use of indigenous and renewable forms of energy such as compressed natural gas ("CNG"), coco methyl ester (or coco biodiesel), and fuel ethanol.
- Increased use of these alternative fuels can translate into millions of dollars saved annually in terms of foreign exchange.
- The development of the alternative fuels industry mean job creation and business opportunities, particularly in regions where the raw material are abundant.

- Alternative fuels are also cleaner fuels, and help to address the major urban environmental challenges of air pollution.
- USAID supports technical training and workshops conducted by both local and U.S. experts on CNG; has conducted a techno-economic study of fuel ethanol; and supports several information, education and communication campaigns.

2. On the reluctance of some stakeholders (transport operators, gas stations) to embrace coconut methyl ester (CME):

- Upon the request of Philippine Department of Energy, USAID funded the testing of CME at the National Renewable Energy Laboratory in Colorado.
- Test results showed that the properties of CME - the storage and fuel thermal

stability, and microbial degradation, meet
Philippine National standards

3. The economics of CME: More expensive than diesel?

- While CME may be a little more expensive than diesel, the use of CME blended with diesel at 1-2%, however, can increase mileage by as much as 15%.
- Data suggest that increase in fuel costs are more than offset by increases in mileage. In other words, "more miles to the peso!"

4. USAID Partnership with national and local governments:

- CCP works closely with the Philippine Department of Energy, local government

units, and a range of private sector and civil society groups in its pilot areas.

- USAID also cooperates closely with the Department of Environment and Natural Resources, the Department of Transportation and Communication, the Department of Science and Technology as well as with the academe.